



Jerome Ringo
President, the Apollo Alliance
Remarks to Select Committee on Energy Independence
and Global Warming
Tuesday, May 22, 2007

Chairman Markey and members of the Committee, thank you for inviting me here today to talk about an issue of crucial importance to our nation's future. The Apollo Alliance offers a unique perspective on the issues before this committee, global warming and energy independence. As a coalition of labor unions, business, environmentalists, and community advocates, we believe our nation can and must achieve a triple bottom line: profitability and markets for a growing clean energy industry; curbs on global warming pollution; and good jobs for working families. My goal today is to set forth some benchmarks for achieving these goals.

As you know, energy independence and global warming have become top-tier issues, uniting Americans across the country. The public is clamoring for action, with environmentalists, working Americans, inner-city communities, technology innovators, investors, security Moms, family farmers, and more demanding change now.

We all realize that avoiding catastrophic climate change will require enormous changes in the ways we harness, consume, and manage energy. But there is also opportunity. The new energy revolution will transform our economy over the next generation – creating whole new industries and millions of new good jobs while reducing security risks. The economic potential, we believe, will be directly proportionate to the level of public investment. The Apollo Alliance estimates that an ambitious \$300 billion in federal spending over 10 years would create over 3 million jobs. This includes a broad range of activities such as building efficiency, renewable energy investments, smart growth, biofuels development, advanced grid technology, and R&D initiatives.

But to win big, we need to set in place specific policy supports that seize the economic growth and job creation potential of these new technologies. In the 1990s, Japan decided solar energy was a strategic industry and set in place long-term supports. Today, Japan controls half the world's solar manufacturing. As many of you know, the United States invented solar technology. We can't let this happen again.

Apollo's partners across the country are already pulling together in surprising and non-traditional alliances to build a new energy future. In Massachusetts, IBEW Local 103 has developed a top-flight apprentice training program for solar and wind power installation. As part of that training program it also built a monument to our new energy future by

installing a wind tower at its headquarters that literally towers over motorists traveling the Rt. 93 Southeast Expressway. That commitment to the future explains why Local 103 has partnered with Cape Wind on developing an offshore wind project that will create up to 1,000 new jobs and offset almost one million tons of CO₂.

Now it's time for Congress to meet innovators such as Cape Wind and IBEW local 103 half-way.

As it fashions a new energy and global warming policy, Congress should also focus on the specific measures needed to create good, clean energy jobs. Only by ensuring that all Americans come out winners will we build enough public support to do what must be done on the scale necessary to curb global warming and achieve energy independence.

That will require a shift of perspective as we tackle each phase of energy policymaking. So, for instance, we should view development of a cap-and-trade system as the opportunity to generate a major investment fund that will be used to develop more secure, homegrown energy supplies and create good jobs. Such a program would control global warming pollution twice: once by capping pollution, then by supporting a new generation of clean power sources. For instance, we very much like the idea enshrined in Sen. Bingaman's cap-and-trade bill to move the start date of carbon auctions ahead of the start date for capping emissions. That puts the horse properly in front of the cart by creating a new energy investment fund that could be used proactively to ease any employment issues that might arise later from global warming pollution controls.

We also urge you to consider the proposal put forth by IBEW International President Ed Hill and American Electric Power CEO Michael Morris to require that imports of energy-intensive products come with emissions credits if the exporting country does not control its carbon emissions. Doing so would give our trading partners an incentive to reduce global warming pollution, essential to solving this global problem while allowing the United States to move forward without fearing a loss of competitiveness.

Likewise, we should match new regulations with positive job-creation strategies. For instance, mandates to improve auto fuel economy should be packaged with big retooling incentives to help the domestic auto industry transition to compete in the new marketplace. Also, any Renewable Energy Standard will be more attractive if it is matched with loan guarantees for renewable energy manufacturing. That way, we'll create jobs manufacturing wind turbines and solar panels at the same time that the RES grows the market for renewable power.

If I leave you with one message today, it is this: We're more likely to build a new energy future with good jobs for working Americans if we ensure any new energy policy is an investment strategy as well as a regulatory strategy.

We believe the time is ripe for Congress to create a *Clean Energy for Good Jobs Investment Fund* on a major scale. We can put together the \$300 billion dollars fund over ten years called for by Apollo by rolling back oil subsidies, reprogramming some existing

funds, auctioning carbon credits, and capturing the increased tax revenue from new clean energy industries. Our analysis estimates that a \$300 billion dollar investment would return \$306 billion to the Treasury at the end of the ten years.

Administering such a fund should achieve three objectives. First, it should continuously bring new technologies to the mass market. Green collar jobs will develop amidst strong demand. Second, it should ensure that these technologies are manufactured domestically. Third, it should invest in the domestic workforce so that we have the skills needed in manufacturing, design, installation, maintenance and science.

Here are just a few suggestions on how we can ensure that a *Clean Energy for Good Jobs Investment Fund* delivers on its promise of good jobs for working Americans:

First, finance a big increase in clean energy R & D. I know both chambers are moving ARPA-E legislation. However, please make sure America captures the jobs by requiring that any new and successful technologies be licensed for development and commercialization first in the United States. To the greatest extent practicable, these technologies should use domestically produced materials.

Second, establish long-term certainty in the clean energy market. It's widely observed that inconsistent federal incentives have been a major barrier to clean energy development. A 2-3 year time horizon simply does not provide the assurance that project developers and component manufacturers need to justify investment decisions. Renewable energy leaders such as Japan and Germany achieved dominance because of policy supports which endured for a decade or longer. A *Clean Energy for Good Jobs Fund* should be used to pay for ten-year extensions of the production tax credit and the investment tax credit. If taxpayers provide this level of support, however, we ought to have an understanding about the issue of prevailing wages and creating domestic jobs.

Third, match long term market support with manufacturing incentives. As the market grows, so should our ability to produce clean energy systems and system components. Renewable energy is growing fast in the United States, but European and Asian manufacturers now account for more than 85% of the global market. We can build up our renewable energy manufacturing by strengthening the DOE's loan guarantee program so it supports manufacture of proven clean energy technologies, not just pilot projects. As several states have done, we can provide tax incentives or grant funding for manufacturing investments. If a manufacturer benefits from taxpayer support, we should also ensure that they use domestic content, pay family supporting wages, and provide a credible job creation strategy.

Finally, we must do more to prepare the workforce for the green economy. We are proud to support Senator Sanders' effort to create a new clean energy workforce development program. Senator Sanders' bill would not only ensure we have the skilled workforce to meet the challenge, it also would make sure that the jobs created will be going to people that deserve and need them the most. We are pleased to work with Rep. Solis as she prepares counterpart legislation in the House. This legislation is crucially

important to Apollo's strategy of creating clean energy jobs because it says to working America: there is a future for you in the new energy economy.

We have called on the "can do" spirit of the original Apollo program in our Alliance's name because we believe the American people are once more ready for a great challenge. Energy will be the transformative issue of our generation.

The challenge for Congressional leaders today will be to ensure that we all get there together: working men and women alongside industry, environmentalists, and our national security community.

We're confident this great nation can get the job done; we're confident we can get there with your leadership.

Thank you.

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